

117TH CONGRESS
2D SESSION

H. R. 7871

To amend the Internal Revenue Code of 1986 to repeal fossil fuel subsidies for oil companies, to establish gas price rebates to individuals for 2022, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 24, 2022

Mr. MCEACHIN (for himself, Mr. CASTEN, and Mr. BLUMENAUER) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to repeal fossil fuel subsidies for oil companies, to establish gas price rebates to individuals for 2022, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*

2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “People Over Petroleum

5 Act”.

1 **SEC. 2. AMORTIZATION OF GEOLOGICAL AND GEO-**2 **PHYSICAL EXPENDITURES.**

3 (a) IN GENERAL.—Section 167(h) of the Internal

4 Revenue Code of 1986 is amended—

5 (1) by striking “24-month period” in paragraph

6 (1) and inserting “7-year period”, and

7 (2) by striking paragraph (5).

8 (b) EFFECTIVE DATE.—The amendment made by

9 this section shall apply to amounts paid or incurred in tax-

10 able years beginning after December 31, 2020.

11 **SEC. 3. PRODUCING OIL AND GAS FROM MARGINAL WELLS.**

12 (a) IN GENERAL.—Subpart D of part IV of sub-

13 chapter A of chapter 1 of the Internal Revenue Code of

14 1986 is amended by striking section 45I (and by striking

15 the item relating to such section in the table of sections

16 for such subpart).

17 (b) CONFORMING AMENDMENT.—Section 38(b) of

18 such Code is amended by striking paragraph (19).

19 (c) EFFECTIVE DATE.—The amendment made by

20 subsection (a) shall apply to credits determined for taxable

21 years beginning after December 31, 2020.

22 **SEC. 4. ENHANCED OIL RECOVERY CREDIT.**

23 (a) IN GENERAL.—Subpart D of part IV of sub-

24 chapter A of chapter 1 of the Internal Revenue Code of

25 1986 is amended by striking section 43 (and by striking

1 the item relating to such section in the table of sections
2 for such subparagraph).

3 (b) CONFORMING AMENDMENT.—Section 38(b) of
4 such Code is amended by striking paragraph (6).

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to amounts paid or incurred in tax-
7 able years beginning after December 31, 2020.

8 **SEC. 5. INTANGIBLE DRILLING AND DEVELOPMENT COSTS**
9 **IN THE CASE OF OIL AND GAS WELLS.**

10 (a) IN GENERAL.—Subsection (c) of section 263 of
11 the Internal Revenue Code of 1986 is amended by adding
12 at the end the following new sentence: “This subsection
13 shall not apply to amounts paid or incurred by a taxpayer
14 with respect to an oil or gas well after December 31,
15 2020.”.

16 (b) EFFECTIVE DATE.—The amendment made by
17 this section shall apply to amounts paid or incurred in tax-
18 able years beginning after December 31, 2020.

19 **SEC. 6. REPEAL OF PERCENTAGE DEPLETION FOR OIL AND**
20 **GAS WELLS.**

21 (a) IN GENERAL.—Part I of subchapter I of chapter
22 1 of the Internal Revenue Code of 1986 is amended by
23 striking section 613A (and the table of sections of such
24 part is amended by striking the item relating to such sec-
25 tion).

1 (b) CONFORMING AMENDMENTS.—

2 (1) Subsection (d) of section 45H of such Code
3 is amended—

4 (A) by striking “For purposes of this sec-
5 tion” and inserting the following:

6 “(1) IN GENERAL.—For purposes of this sec-
7 tion”,

8 (B) by striking “(within the meaning of
9 section 613A(d)(3))”, and

10 (C) by adding at the end the following new
11 paragraph:

12 “(2) RELATED PERSON.—For purposes of this
13 subsection, a person is a related person with respect
14 to the taxpayer if a significant ownership interest in
15 either the taxpayer or such person is held by the
16 other, or if a third person has a significant owner-
17 ship interest in both the taxpayer and such person.
18 For purposes of the preceding sentence, the term
19 ‘significant ownership interest’ means—

20 “(A) with respect to any corporation, 5
21 percent or more in value of the outstanding
22 stock of such corporation,

23 “(B) with respect to a partnership, 5 per-
24 cent or more interest in the profits or capital of
25 such partnership, and

1 “(C) with respect to an estate or trust, 5
2 percent or more of the beneficial interests in
3 such estate or trust.

4 For purposes of determining a significant ownership
5 interest, an interest owned by or for a corporation,
6 partnership, trust, or estate shall be considered as
7 owned directly both by itself and proportionately by
8 its shareholders, partners, or beneficiaries, as the
9 case may be.”.

10 (2) Section 57(a)(1) of such Code is amended
11 by striking the last sentence.

12 (3) Section 291(b)(4) of such Code is amended
13 by adding at the end the following: “Any reference
14 in the preceding sentence to section 613A shall be
15 treated as a reference to such section as in effect
16 prior to the date of the enactment of the End Oil
17 and Gas Tax Subsidies Act of 2021.”.

18 (4) Section 613(d) of such Code is amended by
19 striking “Except as provided in section 613A, in the
20 case of” and inserting “In the case of”.

21 (5) Section 613(e) of such Code is amended—
22 (A) by striking “or section 613A” in para-
23 graph (2), and

24 (B) by striking “any amount described in
25 section 613A(d)(5)” in paragraph (3) and in-

1 serting “any lease bonus, advance royalty, or
2 other amount payable without regard to produc-
3 tion from property’’.

4 (6) Section 705(a) of such Code is amended—
5 (A) by inserting “and” at the end of para-
6 graph (1)(C),

7 (B) by striking “; and” at the end of para-
8 graph (2)(B) and inserting a period, and

9 (C) by striking paragraph (3).

10 (7) Section 993(c)(2)(C) of such Code is
11 amended by striking “section 613 or 613A” and in-
12 serting “section 613 (determined without regard to
13 subsection (d) thereof)”.

14 (8) Section 1202(e)(3)(D) of such Code is
15 amended by striking “section 613 or 613A” and in-
16 serting “section 613 (determined without regard to
17 subsection (d) thereof)”.

18 (9) Section 1367(a)(2) of such Code is amended
19 by inserting “and” at the end of subparagraph (C),
20 by striking “, and” at the end of subparagraph (D)
21 and inserting a period, and by striking subparagraph
22 (E).

23 (10) Section 1446(c) of such Code is amended
24 by striking paragraph (2) and by redesignating
25 paragraph (3) as paragraph (2).

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to property placed in service after
3 December 31, 2020.

4 **SEC. 7. REPEAL OF DEDUCTION FOR TERTIARY**
5 **INJECTANTS.**

6 (a) IN GENERAL.—Part VI of subchapter B of chap-
7 ter 1 of the Internal Revenue Code of 1986 is amended
8 by striking section 193 (and the table of sections of such
9 subpart is amended by striking the item relating to such
10 section).

11 (b) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to taxable years beginning after
13 December 31, 2020.

14 **SEC. 8. REPEAL OF EXCEPTION TO PASSIVE LOSS LIMITA-**
15 **TIONS FOR WORKING INTERESTS IN OIL AND**
16 **GAS PROPERTIES.**

17 (a) IN GENERAL.—Section 469(c)(3) of the Internal
18 Revenue Code of 1986 is amended by adding at the end
19 the following new subparagraph:

20 “(C) TERMINATION.—Subparagraph (A)
21 shall not apply with respect to any taxable year
22 beginning after the date of the enactment of
23 this Act.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2020.

4 SEC. 9. DEDUCTION FOR QUALIFIED BUSINESS INCOME
5 NOT ALLOWED WITH RESPECT TO OIL AND
6 GAS ACTIVITIES.

7 (a) IN GENERAL.—Section 199A(c)(3)(B) of the In-
8 ternal Revenue Code of 1986 is amended by redesignating
9 clause (vii) as clause (viii), and by inserting after clause
10 (vi) the following new clause:

11 “(vii) The production, refining, proc-
12 essing, transportation, or distribution of
13 oil, gas, or any primary product thereof.”.

14 (b) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to taxable years beginning after
16 December 31, 2020.

17 SEC. 10. PROHIBITION ON USING LAST-IN, FIRST-OUT AC-
18 COUNTING FOR OIL AND GAS COMPANIES.

19 (a) IN GENERAL.—Section 472 of the Internal Rev-
20 enue Code of 1986 is amended by adding at the end the
21 following new subsection:

22 "(h) OIL AND GAS COMPANIES.—

23 “(1) IN GENERAL.—Notwithstanding any other
24 provision of this section, a major integrated oil com-

1 pany may not use the method provided in subsection
2 (b) in inventorying of any goods.

3 “(2) MAJOR INTEGRATED OIL COMPANY.—For
4 purposes of this subsection, the term ‘major inte-
5 grated oil company’ means, with respect to any tax-
6 able year, a producer of crude oil—

7 “(A) which has an average daily worldwide
8 production of crude oil of at least 500,000 bar-
9rels for the taxable year,

10 “(B) which has gross receipts in excess of
11 \$1,000,000,000 for the taxable year, and

12 “(C) the average daily refinery runs of the
13 taxpayer and related persons for the taxable
14 year exceed 75,000 barrels.

15 “(3) SPECIAL RULES.—

16 “(A) CRUDE PRODUCTION AND GROSS RE-
17 CEIPTS.—For purposes of subparagraphs (A)
18 and (B) of paragraph (2)—

19 “(i) CONTROLLED GROUPS AND COM-
20 MON CONTROL.—All persons treated as a
21 single employer under subsections (a) and
22 (b) of section 52 shall be treated as 1 per-
23 son.

1 “(ii) SHORT TAXABLE YEARS.—In
2 case of a short taxable year, the rule under
3 section 448(c)(3)(B) shall apply.

4 “(B) AVERAGE DAILY REFINERY RUNS.—
5 For purposes of paragraph (2)(C)—

6 “(i) IN GENERAL.—The average daily
7 refinery runs for any taxable year shall be
8 determined by dividing the aggregate refin-
9 ery runs for the taxable year by the num-
10 ber of days in the taxable year.

11 “(ii) RELATED PERSONS.—A person
12 is a related person with respect to the tax-
13 payer if a significant ownership interest in
14 either the taxpayer or such person is held
15 by the other, or if a third person has a sig-
16 nificant ownership interest in both the tax-
17 payer and such person.

18 “(iii) SIGNIFICANT OWNERSHIP IN-
19 TEREST.—For purposes of clause (ii), the
20 term ‘significant ownership interest’
21 means—

22 “(I) with respect to any corpora-
23 tion, 15 percent or more in value of
24 the outstanding stock of such corpora-
25 tion,

1 “(II) with respect to a partner-
2 ship, 15 percent or more interest in
3 the profits or capital of such partner-
4 ship, and

5 “(III) with respect to an estate
6 or trust, 15 percent or more of the
7 beneficial interests in such estate or
8 trust.

9 For purposes of determining a significant
10 ownership interest, an interest owned by or
11 for a corporation, partnership, trust, or es-
12 tate shall be considered as owned directly
13 both by itself and proportionately by its
14 shareholders, partners, or beneficiaries, as
15 the case may be.”.

16 (b) EFFECTIVE DATE AND SPECIAL RULE.—

17 (1) IN GENERAL.—The amendment made by
18 subsection (a) shall apply to taxable years beginning
19 after December 31, 2020.

20 (2) CHANGE IN METHOD OF ACCOUNTING.—In
21 the case of any taxpayer required by the amendment
22 made by this section to change its method of ac-
23 counting for its first taxable year beginning after the
24 date of the enactment of this Act—

- 1 (A) such change shall be treated as initi-
2 ated by the taxpayer,
3 (B) such change shall be treated as made
4 with the consent of the Secretary of the Treas-
5 ury, and
6 (C) the net amount of the adjustments re-
7 quired to be taken into account by the taxpayer
8 under section 481 of the Internal Revenue Code
9 of 1986 shall be taken into account ratably over
10 a period (not greater than 8 taxable years) be-
11 ginning with such first taxable year.

12 **SEC. 11. MODIFICATIONS OF FOREIGN TAX CREDIT RULES**

13 **APPLICABLE TO DUAL CAPACITY TAXPAYERS.**

14 (a) IN GENERAL.—Section 901 of the Internal Rev-
15 enue Code of 1986 is amended by redesignating subsection
16 (n) as subsection (o) and by inserting after subsection (m)
17 the following new subsection:

18 “(n) SPECIAL RULES RELATING TO DUAL CAPACITY
19 TAXPAYERS.—

20 “(1) GENERAL RULE.—Notwithstanding any
21 other provision of this chapter, any amount paid or
22 accrued by a dual capacity taxpayer to a foreign
23 country or possession of the United States for any
24 period with respect to combined foreign oil and gas
25 income (as defined in section 907(b)(1)) shall not be

1 considered a tax to the extent such amount exceeds
2 the amount (determined in accordance with regula-
3 tions) which would have been required to be paid if
4 the taxpayer were not a dual capacity taxpayer.

5 “(2) DUAL CAPACITY TAXPAYER.—For pur-
6 poses of this subsection, the term ‘dual capacity tax-
7 payer’ means, with respect to any foreign country or
8 possession of the United States, a person who—

9 “(A) is subject to a levy of such country or
10 possession, and

11 “(B) receives (or will receive) directly or
12 indirectly a specific economic benefit (as deter-
13 mined in accordance with regulations) from
14 such country or possession.”.

15 (b) EFFECTIVE DATE.—

16 (1) IN GENERAL.—The amendments made by
17 this section shall apply to taxes paid or accrued in
18 taxable years beginning after December 31, 2020.

19 (2) CONTRARY TREATY OBLIGATIONS
20 UPHELD.—The amendments made by this section
21 shall not apply to the extent contrary to any treaty
22 obligation of the United States.

1 **SEC. 12. CLARIFICATION OF TAR SANDS AS CRUDE OIL FOR**
2 **EXCISE TAX PURPOSES.**

3 (a) IN GENERAL.—Paragraph (1) of section 4612(a)
4 of the Internal Revenue Code of 1986 is amended to read
5 as follows:

6 “(1) CRUDE OIL.—The term ‘crude oil’ includes
7 crude oil condensates, natural gasoline, any bitumen
8 or bituminous mixture, any oil derived from a bitu-
9 men or bituminous mixture (including oil derived
10 from tar sands), and any oil derived from kerogen-
11 bearing sources (including oil derived from oil
12 shale).”.

13 (b) REGULATORY AUTHORITY TO ADDRESS OTHER
14 TYPES OF CRUDE OIL AND PETROLEUM PRODUCTS.—
15 Subsection (a) of section 4612 of such Code is amended
16 by adding at the end the following new paragraph:

17 “(10) REGULATORY AUTHORITY TO ADDRESS
18 OTHER TYPES OF CRUDE OIL AND PETROLEUM
19 PRODUCTS.—Under such regulations as the Sec-
20 retary may prescribe, the Secretary may include as
21 crude oil or as a petroleum product subject to tax
22 under section 4611, any fuel feedstock or finished
23 fuel product customarily transported by pipeline,
24 vessel, railcar, or tanker truck if the Secretary deter-
25 mines that—

1 “(A) the classification of such fuel feed-
2 stock or finished fuel product is consistent with
3 the definition of oil under the Oil Pollution Act
4 of 1990, and

5 “(B) such fuel feedstock or finished fuel
6 product is produced in sufficient commercial
7 quantities as to pose a significant risk of haz-
8 ard in the event of a discharge.”.

9 (c) TECHNICAL AMENDMENT.—Paragraph (2) of sec-
10 tion 4612(a) of such Code is amended by striking “from
11 a well located”.

12 (d) EFFECTIVE DATE.—The amendments made by
13 this section shall take effect on the date of the enactment
14 of this Act.

15 **SEC. 13. 2022 GAS PRICES REBATE.**

16 (a) IN GENERAL.—Subchapter B of chapter 65 of the
17 Internal Revenue Code of 1986 is amended by inserting
18 after section 6428B the following new section:

19 **“SEC. 6428C. 2022 GAS PRICES REBATE.**

20 “(a) IN GENERAL.—In the case of an eligible indi-
21 vidual, there shall be allowed as a credit against the tax
22 imposed by subtitle A for the first taxable year beginning
23 in 2022 an amount equal to the 2022 gas prices rebate
24 amount determined for such taxable year.

1 “(b) 2022 GAS PRICES REBATE AMOUNT.—For pur-
2 poses of this section, the term ‘2022 gas prices rebate
3 amount’ means, with respect to any taxpayer for any tax-
4 able year, the sum of—

5 “(1) \$500 (\$1,000 in the case of a joint re-
6 turn), plus

7 “(2) \$500 multiplied by the number of depend-
8 ents of the taxpayer for such taxable year who had
9 attained the age of 16 as of the close of such taxable
10 year.

11 “(c) ELIGIBLE INDIVIDUAL.—For purposes of this
12 section, the term ‘eligible individual’ means any individual
13 other than—

14 “(1) any nonresident alien individual,

15 “(2) any individual who is a dependent of an-
16 other taxpayer for a taxable year beginning in the
17 calendar year in which the individual’s taxable year
18 begins, and

19 “(3) an estate or trust.

20 “(d) DEFINITIONS AND SPECIAL RULES.—

21 “(1) DEPENDENT DEFINED.—For purposes of
22 this section, the term ‘dependent’ has the meaning
23 given such term by section 152.

24 “(2) IDENTIFICATION NUMBER REQUIRE-
25 MENT.—

1 “(A) IN GENERAL.—In the case of a re-
2 turn other than a joint return, the \$500
3 amount in subsection (b)(1) shall be treated as
4 being zero unless the taxpayer includes the
5 valid identification number of the taxpayer on
6 the return of tax for the taxable year.

7 “(B) JOINT RETURNS.—In the case of a
8 joint return, the \$1,000 amount in subsection
9 (b)(1) shall be treated as being—

10 “(i) \$500 if the valid identification
11 number of only 1 spouse is included on the
12 return of tax for the taxable year, and

13 “(ii) zero if the valid identification
14 number of neither spouse is so included.

15 “(C) DEPENDENTS.—A dependent shall
16 not be taken into account under subsection
17 (b)(2) unless the valid identification number of
18 such dependent is included on the return of tax
19 for the taxable year.

20 “(D) VALID IDENTIFICATION NUMBER.—

21 “(i) IN GENERAL.—For purposes of
22 this paragraph, the term ‘valid identifica-
23 tion number’ means a social security num-
24 ber issued to an individual by the Social
25 Security Administration on or before the

1 due date for filing the return for the tax-
2 able year.

3 “(ii) ADOPTION TAXPAYER IDENTI-
4 FICATION NUMBER.—For purposes of sub-
5 paragraph (C), in the case of a dependent
6 who is adopted or placed for adoption, the
7 term ‘valid identification number’ shall in-
8 clude the adoption taxpayer identification
9 number of such dependent.

10 “(E) SPECIAL RULE FOR MEMBERS OF
11 THE ARMED FORCES.—Subparagraph (B) shall
12 not apply in the case where at least 1 spouse
13 was a member of the Armed Forces of the
14 United States at any time during the taxable
15 year and the valid identification number of at
16 least 1 spouse is included on the return of tax
17 for the taxable year.

18 “(F) COORDINATION WITH CERTAIN AD-
19 VANCE PAYMENTS.—In the case of any payment
20 determined pursuant to subsection (f)(6), a
21 valid identification number shall be treated for
22 purposes of this paragraph as included on the
23 taxpayer’s return of tax if such valid identifica-
24 tion number is available to the Secretary as de-
25 scribed in such subsection.

1 “(G) MATHEMATICAL OR CLERICAL ERROR
2 AUTHORITY.—Any omission of a correct valid
3 identification number required under this para-
4 graph shall be treated as a mathematical or
5 clerical error for purposes of applying section
6 6213(g)(2) to such omission.

7 “(3) CREDIT TREATED AS REFUNDABLE.—The
8 credit allowed by subsection (a) shall be treated as
9 allowed by subpart C of part IV of subchapter A of
10 chapter 1.

11 “(e) COORDINATION WITH ADVANCE REFUNDS OF
12 CREDIT.—

13 “(1) REDUCTION OF REFUNDABLE CREDIT.—
14 The amount of the credit which would (but for this
15 paragraph) be allowable under subsection (a) shall
16 be reduced (but not below zero) by the aggregate re-
17 funds and credits made or allowed to the taxpayer
18 (or, except as otherwise provided by the Secretary,
19 any dependent of the taxpayer) under subsection (f).
20 Any failure to so reduce the credit shall be treated
21 as arising out of a mathematical or clerical error
22 and assessed according to section 6213(b)(1).

23 “(2) JOINT RETURNS.—Except as otherwise
24 provided by the Secretary, in the case of a refund
25 or credit made or allowed under subsection (f) with

1 respect to a joint return, half of such refund or cred-
2 it shall be treated as having been made or allowed
3 to each individual filing such return.

4 “(f) ADVANCE REFUNDS AND CREDITS.—

5 “(1) IN GENERAL.—Subject to paragraphs (5)
6 and (6), each individual who was an eligible indi-
7 vidual for such individual’s first taxable year begin-
8 ning in 2020 shall be treated as having made a pay-
9 ment against the tax imposed by chapter 1 for such
10 taxable year in an amount equal to the advance re-
11 fund amount for such taxable year.

12 “(2) ADVANCE REFUND AMOUNT.—

13 “(A) IN GENERAL.—For purposes of para-
14 graph (1), the advance refund amount is the
15 amount that would have been allowed as a cred-
16 it under this section for such taxable year if
17 this section (other than subsection (e) and this
18 subsection) had applied to such taxable year.

19 “(B) TREATMENT OF DECEASED INDIVID-
20 UALS.—For purposes of determining the ad-
21 vance refund amount with respect to such tax-
22 able year—

23 “(i) any individual who was deceased
24 before January 1, 2022, shall be treated
25 for purposes of applying subsection (e)(2)

1 in the same manner as if the valid identi-
2 fication number of such person was not in-
3 cluded on the return of tax for such tax-
4 able year (except that subparagraph (E)
5 thereof shall not apply),

6 “(ii) notwithstanding clause (i), in the
7 case of a joint return with respect to which
8 only spouse is deceased before January 1,
9 2022, such deceased spouse was a member
10 of the Armed Forces of the United States
11 at any time during the taxable year, and
12 the valid identification number of such de-
13 ceased spouse is included on the return of
14 tax for the taxable year, the valid identi-
15 fication number of 1 (and only 1) spouse
16 shall be treated as included on the return
17 of tax for the taxable year for purposes of
18 applying subsection (e)(2)(B) with respect
19 to such joint return, and

20 “(iii) no amount shall be determined
21 under subsection (d)(2) with respect to any
22 dependent of the taxpayer if the taxpayer
23 (both spouses in the case of a joint return)
24 was deceased before January 1, 2022.

1 “(3) TIMING AND MANNER OF PAYMENTS.—

2 The Secretary shall, subject to the provisions of this
3 title and consistent with rules similar to the rules of
4 subparagraphs (B) and (C) of section 6428A(f)(3),
5 refund or credit any overpayment attributable to this
6 subsection as rapidly as possible, consistent with a
7 rapid effort to make payments attributable to such
8 overpayments electronically if appropriate. No re-
9 fund or credit shall be made or allowed under this
10 subsection after December 31, 2022.

11 “(4) NO INTEREST.—No interest shall be al-
12 lowed on any overpayment attributable to this sub-
13 section.

14 “(5) APPLICATION TO INDIVIDUALS WHO HAVE
15 FILED A RETURN OF TAX FOR 2021.—

16 “(A) APPLICATION TO 2021 RETURNS
17 FILED AT TIME OF INITIAL DETERMINATION.—
18 If, at the time of any determination made pur-
19 suant to paragraph (3), the individual referred
20 to in paragraph (1) has filed a return of tax for
21 the individual’s first taxable year beginning in
22 2021, paragraph (1) shall be applied with re-
23 spect to such individual by substituting ‘2021’
24 for ‘2020’.

25 “(B) ADDITIONAL PAYMENT.—

1 “(i) IN GENERAL.—In the case of any
2 individual who files, before the additional
3 payment determination date, a return of
4 tax for such individual’s first taxable year
5 beginning in 2021, the Secretary shall
6 make a payment (in addition to any pay-
7 ment made under paragraph (1)) to such
8 individual equal to the excess (if any) of—

9 “(I) the amount which would be
10 determined under paragraph (1)
11 (after the application of subparagraph
12 (A)) by applying paragraph (1) as of
13 the additional payment determination
14 date, over

15 “(II) the amount of any payment
16 made with respect to such individual
17 under paragraph (1).

18 “(ii) ADDITIONAL PAYMENT DETER-
19 MINATION DATE.—The term ‘additional
20 payment determination date’ means the
21 earlier of—

22 “(I) the date which is 90 days
23 after the 2021 calendar year filing
24 deadline, or

25 “(II) September 1, 2022.

1 “(iii) 2021 CALENDAR YEAR FILING
2 DEADLINE.—The term ‘2021 calendar year
3 filing deadline’ means the date specified in
4 section 6072(a) with respect to returns for
5 calendar year 2021. Such date shall be de-
6 termined after taking into account any pe-
7 riod disregarded under section 7508A if
8 such disregard applies to substantially all
9 returns for calendar year 2021 to which
10 section 6072(a) applies.

11 “(6) APPLICATION TO CERTAIN INDIVIDUALS
12 WHO HAVE NOT FILED A RETURN OF TAX FOR 2020
13 OR 2021 AT TIME OF DETERMINATION.—In the case
14 of any individual who, at the time of any determina-
15 tion made pursuant to paragraph (3), has filed a tax
16 return for neither the year described in paragraph
17 (1) nor for the year described in paragraph (5)(A),
18 the Secretary shall, consistent with rules similar to
19 the rules of section 6428A(f)(5)(H)(i), apply para-
20 graph (1) on the basis of information available to
21 the Secretary and shall, on the basis of such infor-
22 mation, determine the advance refund amount with
23 respect to such individual.

24 “(7) SPECIAL RULE RELATED TO TIME OF FIL-
25 ING RETURN.—Solely for purposes of this sub-

1 section, a return of tax shall not be treated as filed
2 until such return has been processed by the Internal
3 Revenue Service.

4 “(8) RESTRICTION ON USE OF CERTAIN PRE-
5 VIOUSLY ISSUED PREPAID DEBIT CARDS.—Payments
6 made by the Secretary to individuals under this sec-
7 tion shall not be in the form of an increase in the
8 balance of any previously issued prepaid debit card
9 if, as of the time of the issuance of such card, such
10 card was issued solely for purposes of making pay-
11 ments under section 6428, 6428A, or 6428B.

12 “(g) REGULATIONS.—The Secretary shall prescribe
13 such regulations or other guidance as may be necessary
14 or appropriate to carry out the purposes of this section,
15 including—

16 “(1) regulations or other guidance providing
17 taxpayers the opportunity to provide the Secretary
18 information sufficient to allow the Secretary to make
19 payments to such taxpayers under subsection (f) (in-
20 cluding the determination of the amount of such
21 payment) if such information is not otherwise avail-
22 able to the Secretary, and

23 “(2) regulations or other guidance to ensure to
24 the maximum extent administratively practicable
25 that, in determining the amount of any credit under

1 subsection (a) and any credit or refund under sub-
2 section (f), an individual is not taken into account
3 more than once, including by different taxpayers and
4 including by reason of a change in joint return sta-
5 tus or dependent status between the taxable year for
6 which an advance refund amount is determined and
7 the taxable year for which a credit under subsection
8 (a) is determined.

9 “(h) OUTREACH.—The Secretary shall carry out a
10 robust and comprehensive outreach program to ensure
11 that all taxpayers described in subsection (g)(1) learn of
12 their eligibility for the advance refunds and credits under
13 subsection (f); are advised of the opportunity to receive
14 such advance refunds and credits as provided under sub-
15 section (g)(1); and are provided assistance in applying for
16 such advance refunds and credits.”.

17 (b) TREATMENT OF CERTAIN POSSESSIONS.—

18 (1) PAYMENTS TO POSSESSIONS WITH MIRROR
19 CODE TAX SYSTEMS.—The Secretary of the Treas-
20 ury shall pay to each possession of the United States
21 which has a mirror code tax system amounts equal
22 to the loss (if any) to that possession by reason of
23 the amendments made by this section. Such
24 amounts shall be determined by the Secretary of the

1 Treasury based on information provided by the gov-
2 ernment of the respective possession.

3 (2) PAYMENTS TO OTHER POSSESSIONS.—The
4 Secretary of the Treasury shall pay to each posses-
5 sion of the United States which does not have a mir-
6 ror code tax system amounts estimated by the Sec-
7 retary of the Treasury as being equal to the aggre-
8 gate benefits (if any) that would have been provided
9 to residents of such possession by reason of the
10 amendments made by this section if a mirror code
11 tax system had been in effect in such possession.
12 The preceding sentence shall not apply unless the re-
13 spective possession has a plan, which has been ap-
14 proved by the Secretary of the Treasury, under
15 which such possession will promptly distribute such
16 payments to its residents.

17 (3) INCLUSION OF ADMINISTRATIVE EX-
18 PENSES.—The Secretary of the Treasury shall pay
19 to each possession of the United States to which the
20 Secretary makes a payment under paragraph (1) or
21 (2) an amount equal to the lesser of—

22 (A) the increase (if any) of the administra-
23 tive expenses of such possession—

(i) in the case of a possession described in paragraph (1), by reason of the amendments made by this section, and

(B) \$500,000 (\$10,000,000 in the case of Puerto Rico).

10 The amount described in subparagraph (A) shall be
11 determined by the Secretary of the Treasury based
12 on information provided by the government of the
13 respective possession.

(A) to whom a credit is allowed against taxes imposed by the possession by reason of the amendments made by this section, or

(B) who is eligible for a payment under a plan described in paragraph (2).

(5) MIRROR CODE TAX SYSTEM.—For purposes of this subsection, the term “mirror code tax system” means, with respect to any possession of the United States, the income tax system of such possession if the income tax liability of the residents of such possession under such system is determined by reference to the income tax laws of the United States as if such possession were the United States.

9 (6) TREATMENT OF PAYMENTS.—For purposes
10 of section 1324 of title 31, United States Code, the
11 payments under this subsection shall be treated in
12 the same manner as a refund due from a credit pro-
13 vision referred to in subsection (b)(2) of such sec-
14 tion.

15 (c) ADMINISTRATIVE PROVISIONS.—

(A) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting “6428C.” after “6428B.”.

12 (B) The table of sections for subchapter B
13 of chapter 65 of the Internal Revenue Code of
14 1986 is amended by inserting after the item re-
15 lating to section 6428A the following new item:

“Sec. 6428C. 2022 gas prices rebate.”.

